



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 1369 (1924)

March 14, 1986

SUBJECT: Servicing Delinquent Farmer Program
Loans for Fiscal Year 1986

TO: State Directors and Farmer Program Chiefs

Purpose/Intended Outcome

The purpose of this AN is to provide guidance to field offices and provide consistency nationwide regarding the servicing of Farmer Program (FP) borrowers whose loans are in monetary default. The intended outcome is to provide a systematic and prioritized manner of servicing those FmHA FP loan accounts which are delinquent.

Comparison with Previous AN

This AN is a follow-up to AN 1335(1924) issued February 3, 1986.

Implementation Responsibilities

AN 1335(1924) set up two categories of borrowers in monetary default. Those in Category 1 received Form FmHA 1924-14, "Farmer Program Borrower Servicing Options Including Deferrals and Borrower Responsibilities," Form FmHA 1924-25, "Notice of Intent to Take Adverse Action," Form FmHA 1924-26, "Borrower Acknowledgement of Notice of Intent to Take Adverse Action," and a cover letter. AN 1335(1924) provided that those borrowers in Category 2 would not be sent Forms FmHA 1924-25 and 1924-26 because of monetary default until further directions from the Administrator. This AN is your direction to send those forms.

EXPIRATION DATE: November 30, 1986

FILING INSTRUCTIONS: Preceding
FmHA Instruction 1924-B



Farmers Home Administration is an Equal Opportunity Lender.
Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D.C. 20250

1369(1924)

Effective immediately, all Category 2 borrowers who have not cured the monetary default as of today will be sent Forms FmHA 1924-14, 1924-25 and 1924-26. No cover letters will be used. The only exception to this is Category 2 borrowers who have requested and been denied servicing relief and who are now appealing that denial. When the appeal is concluded, if the borrower does not prevail, the borrower will be sent Forms FmHA 1924-14, 1924-25 and 1924-26.

Remember that nonmonetary defaults are not handled under either AN 1335(1924) or this AN.



VANCE L. CLARK
Administrator

Sent by electronic mail on March 18, 1986 at 2:13 pm. by DASD/IMPS.
This message should be promptly distributed to all County Supervisors and District Directors.